

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2002-267-W - ORDER NO. 2002-875
DECEMBER 31, 2002

IN RE: Application of Rural Water, Inc. for Approval) ORDER APPROVING
to Abandon the Water Systems in Greenwood) ABANDONMENT ✓DW
Shores 1 and Greenwood Shores 2)
Subdivisions.)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Rural Water, Inc. (Rural Water or the Company) requesting permission to abandon the water systems in the Greenwood Shores 1 and 2 subdivisions.

Pursuant to the instructions of the Commission's Executive Director, the Company prepared a Notice of Filing, which was published in newspapers of general circulation in the Company's service area, and was served individually on all customers of the system. No Petitions to Intervene or Protests were received. We then received a request for expedited review of the matter, along with verified testimony filed by the Company. We grant expedited review, and hold that consideration of the matter in our agenda session constitutes the hearing in this matter.

The Company furnished the verified testimony of Tony Williamson, the Manager and Operator of Rural Water, Inc. Williamson states that the Greenwood Shores 1 and 2 water systems should be abandoned because they are no longer viable. The water systems were built over thirty-five years ago and the distribution line size and water tank size are

not adequate based on today's standards, according to Williamson. Williamson states that this creates very low pressures within the systems. The Ninety Six CPW has installed new six-inch water mains and fire hydrants in both of the subdivisions and ninety-eight percent of the Company's customers on the systems have already purchased taps on the Ninety Six CPW system. Further, the South Carolina Department of Health and Environmental Control (DHEC) has encouraged the Company to find alternate water supplies for its customers and have approved of this abandonment in particular. A letter from DHEC verifying this position has been received by the Commission Staff. Further, when the operating permit for the CPW system is issued by DHEC, the CPW will begin installing water meters.

The Application states that the current average water bill for the CPW is \$26.95 which is based on an average 4800 gallons of consumption. The Company's approved rate for Greenwood Shores 1 and 2 is \$12.00 per month flat rate. Therefore, there would be a rate increase to the customers, should we grant the abandonment.

However, in viewing the totality of the circumstances, and the public interest in this matter, we hereby grant permission to the Company to abandon the Greenwood Shores 1 and 2 water systems. Even though the customers will definitely receive a rate increase under CPW rates, we have not received any protests or Petitions to Intervene in this case, after Notice was given. Further, it does appear that the water systems at issue are no longer viable, and that there are low pressures within the systems. Finally, ninety-eight percent of the residents on these systems have purchased taps on the new CPW system. We therefore grant the request to abandon.

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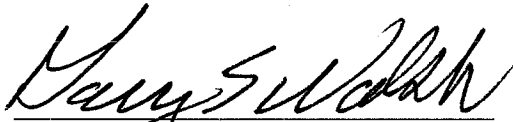
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn, Chairman

ATTEST:



Gary E. Walsh, Executive Director

(SEAL)